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Fairways Realty 2009 Summer Update

- **Stimulus Package is getting better, grab it while you can.**
- **RTP market statistics of real estate, population, travel and etc.**
- **New NC State Law: No more smoking in public places?**
- **Summer Gardening Tips**

HOT NEWS !! From May 12 \$8,000 Stimulus Tax credit can be now used toward down payment ?

Triangle Area 1st quarter 2009 market summary¹

Job market

Unemployment rate increased to 8.5% from 4.1% Q1/08

Real estate inventory?

Currently 8,496 active listings.
Average list price is \$360,000.
Average sales price \$258,300.
Average sales price per square foot for closings \$111.

Lower sales must equate to a higher current supply?

Yes it has. The current supply based upon first quarter closings is **14 months**. In 1Q/08 supply was at 6 months.

Did current sellers sell for more than prior purchase?

On **average** they did. Current Wake County listings are priced an average of 4.33% per year above prior purchase price.

First time home buyers are getting "unfair advantage" on current real estate market using \$8,000 tax credit on their purchase at historically low interest rates and at suppressed property prices. These conditions created quite a surge of buying activity especially in low end of the market with less than 100 foreclosures remaining in the inventory. Quality low cost inventory is flying off the shelves, dirt start moving around new construction sites, which made Raleigh One of the Nation's Healthiest Markets for 2009 by Builders.com

While Triangle market is recovering National statistics is less inspiring, which caused Federal Housing Administration to permit its lenders to allow homeowners to use the \$8,000 tax credit as a down payment.

It is huge, It means that a buyer using this \$8k tax credit could buy a house all the way up to \$229k with no down payment out of his pocket.

The Catch #1 - deadline didn't change. House purchase must be closed by December 1, 2009. Which means if you want to use free federal money toward your first house you have to be under contract ~45 days before deadline to close on time = October 15. It takes on average 2 months to find a right house, so you want to start looking sooner than later.

Catch #2 -Your credit score better be good to get qualified and get best mortgage rate. While FHA currently asking for score > 620 to qualify it changes daily. But you will not get 4.5% mortgage rate, that everybody talk about with 620 credit score.

You can buy a home with score 620 but you can buy far better home for less monthly payments with credit score 720+. Good news is the credit score could be improved in relatively short period of time (average 60 days) by credit professionals.



As your Realtor[®], I am always available to answer your questions and provide you with current and specific information. I would be happy to refer you to our mortgage specialist or credit repair services, so please don't hesitate to call.

Living in Triangle: Some Statistics to be Proud Of.

Raleigh, NC Grabs Top Spot on Forbes "Best Places for Business and Careers"

For the second straight year, the Southeast placed 5 metros in the Top 10 with Raleigh being #1. Raleigh's economy has expanded 6% annually over the past 3 years. Helping to fuel this growth are business costs that are 13% below the national average and a labor force where 38% have a college degree - the 12th-highest percentage in the country. Durham was #7. (Economy.com and Bertrand Sperling)

North Carolina became the sixth most visited state in the nation, Travelers in North Carolina spent \$16.9 billion in 2008 (increased 2.1 %), according to U.S. Travel Association.

Highest Population Growth Top10

Raleigh has one of the highest rates of population growth of any top metro market in the country over the last five years : nearly by 5 percent annually.

What's more: in declining economy more people are looking to move to RTP. Real Estate listings in the Raleigh-Durham-Chapel Hill, NC market in December 2008 on Realtor.com experienced a dramatic year-over-year **18.2% increase in house search activity**, making it one of the nation's markets where search activity has grown the fastest.



Raleigh, NC - Forbes #1 "Best Place to Sell a Home"

Raleigh—Money Magazine #3 Hot Market "What You Can Get for \$1 Million" when buying a home."

Raleigh was named the #6 of the Nation's Healthiest Markets for 2009 by Builders.com

¹ provided by TARR report



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If you have any questions about the information contained in this update, please don't hesitate to call or email. Or, if you or anyone you know are thinking of buying or selling, let me work with you to get the results you need. Hard work, attention to detail, and keeping my client first insures that I deliver the service you want and need.

I look forward to hearing from you soon!

If your property is currently listed with a real estate broker, please disregard. It is not our intention to solicit the offerings of other real estate brokers. We are happy to work with them and cooperate fully.

Gardening Tips for Summer

Indoor garden: Don't forget to feed container-bound plants

Pest Patrol: Keep a close watch for any sign of pests so that you can take action quickly. On roses look for aphids and mildew. It is a good time to reapply pepper wax to keep the deer, rabbits and other big pests away too.

Staking & Support: Put stakes and supports in place for tall, herbaceous plants, like peonies and delphiniums. Likewise, as climbers display new growth, be sure to position them on a support system.

Watering: Don't forget to keep up with your watering. If you don't water enough, roots will stay near the surface, making them even more prone to the heat. An inch of water a week is a good rule of thumb.

Plant Bulbs: It is still not too late for summer blooming dahlias, cannas, sunflowers, nasturtiums and cosmos. Mid-summer is the time to plant bulbs that will bloom in the fall, such as colchicum.

Sow Annuals: Now that all threat of frost is gone, early summer is a perfect time to sow hardy annuals, such as lupines, outdoors in the garden. You can also sow biennials, such as forget-me-nots.

Prune back your rose bushes after the first bloom. Cut back all weak and dead wood as well. Lastly, clean up all spent leaves - especially if they suffered from black spot. Plus, if black spot is a problem, use this homemade formula: Mix one tablespoon of baking soda and a 1/4 teaspoon of dishwashing detergent in one gallon of water.

Enjoy and have patience during the ensuing hot summer months!

North Carolina Bans Smoking in Bars and Restaurants¹

A bill passed by the North Carolina House of Representatives on May 13 that bans smoking in bars and restaurants in a state where tobacco once was king.

The House vote a version of the smoking ban that had been passed by the state Senate. The measure will make it illegal for restaurant and bar owners to allow smoking in their establishments. Patrons wanting to light up will have to do so outside.

Cigar bars and private clubs are exempt from the new law. The bill's supporters contend that the legislation will protect workers from second-hand smoke. Opponents argue that the state is overstepping its bounds into the individual rights of citizens and business owners to do as they see fit on their own property.



Raleigh-Cary Projected to Become Fifth Fastest-Growing Metro in U.S.¹

Raleigh-Cary will jump up five slots to become the fifth fastest-growing metro in the country by 2014. The population of the Raleigh-Cary metro is estimated to increase 17 percent and touch

1.3 million people in the next five years – making it the fifth fastest growth market. by demographic changes, according to Easy Analytic Software, a Bellmawr, N.J.-based firm. Current Raleigh-Cary's population is estimated at 1.11 million residents.

Still, the forecast increase is tepid compared to the 39% growth recorded by the Raleigh-Cary metro in the 2000-09 period – placing the metro 10th in the country.

The Palm Coast, Fla., metro retains its top ranking on the list of the 20 fastest-growing metros. The leafy, golf course-laden coastal town is expected to record a 29 percent population increase by 2014, less than the 89 percent increase seen during 2000-09.

¹, Published by Triangle Business Journal